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**ST. MARTIN, IBERIA, LAFAYETTE
COMMUNITY ACTION AGENCY, INC.**

Financial Report

Year Ended May 31, 2004

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 10-27-04

TABLE OF CONTENTS

	<u>Page</u>
INDEPENDENT AUDITORS' REPORT	1-2
Statement of financial position	3
Statement of activities	4-5
Statement of cash flows	6
Notes to financial statements	7-15
SUPPLEMENTAL INFORMATION	
SCHEDULE OF INDIVIDUAL FUNDS	
Combining statement of financial position	22-27
Combining statement of activities	28-33
Indirect cost pool - statements of revenue and expenses	34
COMPLIANCE, INTERNAL CONTROL AND OTHER GRANT INFORMATION	
Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards	36-37
Report on Compliance with Requirements Applicable to Each Major Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133	38-39
Schedule of Expenditures of Federal Awards	40-41
Notes to Schedule of Expenditures of Federal Awards	42
Schedule of Findings and Questioned Costs	43-44
Summary Schedule of Current and Prior Audit Findings and Management's Corrective Action Plan	45-46

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INDEPENDENT AUDITORS' REPORT

* A Professional Accounting Corporation

To the Board of Directors
St. Martin, Iberia, Lafayette
Community Action Agency, Inc.
Lafayette, Louisiana

We have audited the accompanying statement of financial position of St. Martin, Iberia, Lafayette Community Action Agency, Inc. (a nonprofit organization) as of May 31, 2004, and the related statements of activities, and cash flows for the year then ended. These financial statements are the responsibility of the Agency's management. Our responsibility is to express an opinion on these financial statements based on our audit. The prior year summarized comparative information has been derived from the Agency's 2003 financial statements and, in our report dated August 7, 2003, we expressed an unqualified opinion on those financial statements.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, and the provisions of Office of Management and Budget Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations." Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of St. Martin, Iberia, Lafayette Community Action Agency, Inc. as of May 31, 2004, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, we have also issued our report dated July 27, 2004 on our consideration of St. Martin, Iberia, Lafayette Community Action Agency, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.

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Our audit was performed for the purpose of forming an opinion on the basic financial statements of St. Martin, Iberia, Lafayette Community Action Agency, Inc. taken as a whole. The supplementary information (pp.16-46) is presented for purposes of additional analysis and is not a required part of the basic financial statements of the Agency. The accompanying schedule of expenditures of federal awards (pp.40-41) is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations," and is also not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Kolder, Champagne, Slaven & Company, LLC
Certified Public Accountants

Breaux Bridge, Louisiana
July 27, 2004

ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY, INC.

Statement of Financial Position
May 31, 2004

ASSETS

Current assets:		
Cash		\$ 478,218
Receivables:		
Grant funds		555,802
Other		67,026
Prepaid expenses		<u>186,195</u>
Total current assets		1,287,241
Property and equipment (net)		<u>4,016,043</u>
Total assets		<u>\$ 5,303,284</u>

LIABILITIES

Liabilities:		
Current liabilities:		
Accounts payable		\$ 196,302
Current portion of long-term debt		19,095
Retirement plan payable		7,020
Compensated absences		164,592
Other liabilities		<u>231,307</u>
Total current liabilities		618,316
Long-term liabilities:		
Notes payable		<u>462,332</u>
Total liabilities		<u>1,080,648</u>

NET ASSETS

Unrestricted		217,318
Temporarily restricted		<u>4,005,318</u>
Total net assets		<u>4,222,636</u>
Total liabilities and net assets		<u>\$ 5,303,284</u>

The accompanying notes are an integral part of this statement.

ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY, INC.

Statement of Activities
 Year Ended May 31, 2004
 With Comparative Totals for May 31, 2003

	Unrestricted	Temporarily Restricted	Totals (Memorandum Only)	
			2004	2003
Public support:				
In-kind contributions	\$ -	\$ 2,598,935	\$ 2,598,935	\$ 2,174,402
Donations	216,904	86,849	303,753	158,397
Total public support	216,904	2,685,784	2,902,688	2,332,799
Grants from governmental agencies	27,114	12,280,325	12,307,439	13,373,344
Other revenue:				
Miscellaneous	-	40,413	40,413	77,862
Total public support, grants from governmental agencies and other revenue	244,018	15,006,522	15,250,540	15,784,005
Expenses:				
Program services -				
Transportation	-	522,816	522,816	423,795
Project Independence Jobs	-	194,039	194,039	254,812
CSBG	-	945,637	945,637	824,316
Food Reimbursement	-	798,656	798,656	753,437
Shelter Fund	-	-	-	193
Weatherization	-	177,714	177,714	153,915
HUD	-	-	-	19,969
Local Government Support	-	98,601	98,601	61,785
St. Martin Parish Emergency Assistance	-	53,115	53,115	30,907
Computer Technology	-	18,488	18,488	118,860
Iberia Food & Medical	-	11,020	11,020	14,151
Iberia Parish Special Trust	-	969	969	15,136
Lafayette Emergency Food & Shelter	-	9,024	9,024	6,507
Iberia Emergency Food & Shelter	-	49,385	49,385	19,469
Head Start	-	10,607,253	10,607,253	9,767,358
RSVP	-	77,895	77,895	73,448
Medicaid Enrollment	-	12,356	12,356	12,987
Cookbook Fund	19,297	-	19,297	6,878
Family Preservation	-	27,780	27,780	14,428
Home Energy Assistance	-	103,574	103,574	1,846,016
Early Childhood	-	1,320,523	1,320,523	1,176,057
Child Welfare Resource Center	-	7,214	7,214	49,427
Group Mentoring	-	2,265	2,265	6,395
Fatherhood Initiative	-	21,480	21,480	11,136

(continued)

ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY, INC.

Statement of Activities (Continued)
 Year Ended May 31, 2004
 With Comparative Totals for May 31, 2003

	Unrestricted	Temporarily Restricted	Totals (Memorandum Only)	
			2004	2003
Youth Initiative	-	2,631	2,631	1,845
Community Response Initiative	-	60,144	60,144	52,028
Quality Child Care Initiative	-	31,930	31,930	-
Total program services	19,297	15,154,509	15,173,806	15,715,255
Supporting services -				
General	71,067	-	71,067	75,551
Indirect Cost Pool	-	663,413	663,413	655,916
Total supporting services	71,067	663,413	734,480	731,467
Total expenses	90,364	15,817,922	15,908,286	16,446,722
Excess (deficiency) of public support, grants from governmental agencies, and other revenue over expenses	153,654	(811,400)	(657,746)	(662,717)
Other increases (decreases) in net assets:				
Operating transfers in	96,445	395,120	491,565	839,833
Operating transfers out	(32,604)	(458,961)	(491,565)	(839,833)
Indirect cost transferred from programs	-	539,366	539,366	553,373
Gain (loss) on disposal of equipment	-	(1,096)	(1,096)	200
Total increases in net assets	63,841	474,429	538,270	553,573
Change in net assets (decrease) increase	217,495	(336,971)	(119,476)	(109,144)
Net assets (deficit), beginning of year	(177)	4,342,289	4,342,112	4,451,256
Net assets, end of year	\$ 217,318	\$ 4,005,318	\$ 4,222,636	\$ 4,342,112

The accompanying notes are an integral part of this statement.

ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY, INC.

Statement of Cash Flows
Year Ended May 31, 2004

Cash flows from operating activities:	
Change in net assets	\$ (119,476)
Adjustments to reconcile change in net assets to net cash used by operating activities:	
Depreciation	607,195
(Gain) loss on disposal of equipment	1,096
Contribution of land received, valued at fair market value	(181,200)
Increase in grant receivables	(269,627)
Increase in other receivables	(66,633)
Increase in prepaid expenses	(40,004)
Decrease in accounts payable	(107,397)
Increase in retirement plan payable	978
Decrease in unearned grants	(32,413)
Increase in compensated absences	164,592
Decrease in other liabilities	(20,140)
Total adjustments	<u>56,447</u>
Net cash used by operating activities	<u>(63,029)</u>
Cash flows from investing activities:	
Payments for property and equipment	<u>(330,973)</u>
Cash flows from financing activities:	
Payments on notes payable	<u>(19,459)</u>
Net decrease in cash and cash equivalents	(413,461)
Beginning cash and cash equivalents	<u>891,679</u>
Ending cash and cash equivalents	<u>\$ 478,218</u>
Supplemental disclosures:	
Cash paid during year for interest	<u>\$ 43,418</u>

The accompanying notes are an integral part of this statement.

ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY, INC.

Notes to Financial Statements

(1) Summary of Significant Accounting Policies

A. Nature of Activities

The St. Martin, Iberia, Lafayette Community Action Agency, Inc. (SMILE) was created under the Economic Opportunity Act of 1964, as amended, to serve as the antipoverty agency, providing human services for the indigent and disadvantaged through research, planning, development, financing, implementation and evaluation of programs, either directly or through coordinating with other agencies, to attain social and economic independence for the benefit of all present and future generations of disadvantaged people in the Tri-Parish area. St. Martin, Iberia, Lafayette Community Action Agency, Inc. is comprised of eighteen board members, who are equal in numbers from the Community Action Councils of the St. Martin, Iberia, and Lafayette Parishes of Louisiana.

St. Martin, Iberia, Lafayette Community Action Agency, Inc. receives substantially all of its revenue from various Federal and State grant programs, which are subject to final review and approval as to allowability of expenditures by the respective grantor agencies.

B. Basis of Accounting

Basis of accounting refers to when revenues and expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The Agency's financial statements have been prepared on the accrual basis of accounting whereby revenues are recognized when they are earned and expenses are recognized when incurred.

Unrestricted net assets represent expendable funds available for operations which are not otherwise limited by donor restrictions. Temporarily restricted net assets consist of contributed funds subject to specific donor-imposed restrictions contingent upon specific performance of a future event or a specific passage of time before the Agency may spend the funds.

Contributions are recognized as revenue when they are received or unconditionally pledged. Contributions are recorded as unrestricted, temporarily restricted or permanently restricted support depending on the existence and/or nature of any donor restrictions. Those donor restricted contributions whose restrictions, however, are met in the same reporting period are reported as unrestricted support.

The Agency reports gifts of buildings and equipment as unrestricted support unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets

ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY, INC.

Notes to Financial Statements (continued)

are reported as restricted support. Absent explicit donor stipulations about how these long-lived assets must be maintained, the Agency reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

C. Cash and Cash Equivalents

For purposes of the statement of cash flows, the Agency considers all highly liquid investments available for current use to be cash equivalents.

D. Property and Equipment

Property and equipment is capitalized at cost. All federal program assets costing \$5,000 or more are capitalized and all state program assets costing \$250 or more are capitalized. Depreciation of property and equipment is calculated on the straight-line basis over the estimated useful lives of assets as follows:

Computers	3 years
Furnitures, fixtures, and equipment	7-10 years
Automobiles	5 years
Buildings and improvements	15-20 years

E. Functional Expenses

Expenses are charged to each program based on direct expenditures incurred.

F. Compensated Absences

Compensation is paid to employees absent from work due to illness or vacation. At May 31, 2004, there is a liability reported in the financial statements for accrued compensated absences of \$164,592.

G. Income Tax Status

The Agency qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code and, therefore, has no provision for federal income taxes.

H. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY, INC.

Notes to Financial Statements (continued)

I. Total Columns

Total columns are presented to facilitate financial analysis. Data in these columns do not present financial position, changes in net assets and cash flows in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation.

J. Prior Year Reclassification

Certain previously reported amounts have been reclassified to enhance comparability with 2004 report classifications.

K. Prior Year Summarized Comparative Information

The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the organization's financial statements for the year ended May 31, 2003, from which the summarized information was derived.

(2) Cash

At May 31, 2004 SMILE had cash (book balances) totaling \$478,218. These deposits are stated at cost, which approximates market. These deposits (bank balances) totaled 1,090,661, and are fully insured by FDIC insurance and securities pledged at May 31, 2004.

(3) Due To/From Other Funds

Individual balances due to/from other funds at May 31, 2004 are as follows. The following balances have been eliminated in the statement of financial position.

ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY, INC.

Notes to Financial Statements (continued)

	<u>Due from other funds</u>	<u>Due to other funds</u>
Transportation	\$ 3,363	\$ 4,030
Early Headstart	233	5,042
Child Welfare Resource Center	10,567	-
Project Independence	1,192	21,805
CSBG	2,199	45,198
Food Reimbursement	60,935	3,191
Weatherization	2,605	10,939
HUD	5,699	568
Local Government Support	23,466	60,213
Iberia Food and Medical	-	2,166
Iberia Parish Special Trust	220	5,841
Iberia Emergency Food Shelter	-	3,859
Headstart	9,037	45,224
RSVP	78	3,434
Medicaid Enrollment	198	5
Family Preservation	-	8,619
Payroll Fund	54,541	7,382
Accounts Payable	20,024	20,488
Home Energy Assistance	163	1,083
General	-	20,889
Indirect Cost Pool	76,033	4,164
Computer Technology	5,000	-
Community Response Initiative	10,195	-
Group Mentoring Program	1,070	-
Youth Initiative	1,132	-
Quality Child Care Initiative	-	13,810
	<u>\$ 287,950</u>	<u>\$ 287,950</u>

Of the amounts recorded as due to/from other funds in 2004, \$54,541 relates to accrued payroll, \$20,024 relates to accounts payable, and \$76,033 relates to indirect costs payable.

ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY, INC.

Notes to Financial Statements (continued)

(4) Restrictions on Net Assets

Temporarily restricted net assets are available for specific grant programs at May 31, 2004 as follows:

Transportation	\$ 53,282
Project Independence Jobs	45,751
CSBG	19,560
Early Childhood	344,718
Food Reimbursement	214,949
Shelter Fund	347
Weatherization	12,036
HUD	11,971
Local Government Support	327,116
St. Martin Parish Emergency Assistance	12,468
Iberia Food & Medical	(2,960)
Iberia Parish Special Trust	(4,818)
Lafayette Emergency Food & Shelter	5,832
Iberia Emergency Food & Shelter	4,039
Headstart	2,710,706
RSVP	(154)
Medicaid Enrollment	9,303
Family Preservation	1,393
Child Welfare Resource Center	36,930
Home Energy Assistance	34,733
Indirect Cost Pool	56,629
Computer Technology	87,364
Group Mentoring	2,840
Youth Initiative	2,369
Community Response Initiative	13,868
Quality Child Care Initiative	<u>5,046</u>
Totals	<u>\$ 4,005,318</u>

ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY, INC.

Notes to Financial Statements (continued)

(5) Commitments and Contingencies

A. Contingent Liabilities

At May 31, 2004, the St. Martin, Iberia, Lafayette Community Action Agency, Inc. was involved in five lawsuits. In the opinion of management, these lawsuits will not result in any significant monetary losses. Therefore, there has been no accrual on the balance sheet at May 31, 2004.

B. Grant Audits

SMILE, Inc. receives revenues from various Federal and State grant programs, which are subject to final review and approval as to allowability of expenditures by the respective grantor agencies. Any settlements or expenses arising out of a final review are recognized in the period in which agreed upon by the agency and SMILE, Inc. Also, it is management's opinion that any audits by the grantor agencies would not produce disallowed program costs and liabilities to such an extent that they would materially affect SMILE, Inc.'s financial position.

(6) Retirement Plan

The Agency has a retirement plan that covers all employees meeting specific age and length of service requirements. The Agency will contribute to the plan the amount determined by the Agency at its discretion. The Agency may choose not to contribute to the plan for a particular plan year. There were no significant changes during the period affecting comparability. Agency contributions for the year ending May 31, 2004 was \$209,541.

(7) Economic Dependency

The Agency receives the majority of its revenue from funds provided through grants administered by the U.S. Department of Health and Human Services. The grant amounts are appropriated each year by the federal and state governments. If significant budget cuts are made at the federal and/or state level, the amount of the funds the Agency receives could be reduced significantly and have an adverse impact on its operations. Management is not aware of any actions that will adversely affect the amount of funds the Agency will receive in the next fiscal year.

(8) In-Kind Contributions

The Agency is allowed free use of certain facilities by landlords and is donated services by individuals. In-kind contributions are valued at the fair market value of the rent or services donated on the date of donation.

ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY, INC.

Notes to Financial Statements (continued)

(9) Property and Equipment

Property and equipment at May 31, 2004 consists of the following:

Furniture, Fixtures and equipment	\$ 1,294,015
Automobiles	1,806,646
Buildings and improvements	4,614,732
Land	<u>278,964</u>
Total	7,994,357
Less: Accumulated depreciation	<u>(3,978,314)</u>
Net assets	<u>\$ 4,016,043</u>

Property and equipment purchased with federal monies may revert back to the government or the sale of such property and equipment has to be approved and the proceeds from the sale are restricted. Depreciation expense for the year ended May 31, 2004 was \$607,195.

(10) Notes Payable

The Organization's note payable balances consist of the following at May 31, 2004:

Notes payable to Chrysler Financial for two vehicles. The original amount of the notes were \$39,481 bearing interest at 7.5 percent, with monthly payments of \$791, maturing February 2005.	\$ 6,510
Note payable to Hibernia, original amount of \$500,000, due in monthly installments of \$4,449, which includes interest at a rate of 8.71 percent, maturing December 2021, secured by building.	<u>474,917</u>
	<u>\$ 481,427</u>

ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY, INC.

Notes to Financial Statements (continued)

Following is the maturity of the notes payable which includes interest of \$463,942:

Years ending May 31:

2005	\$ 60,088
2006	53,384
2007	53,384
2008	53,384
2009	53,384
2010-2014	266,920
2015-2019	266,920
2020-2022	137,905
Total	<u>\$ 945,369</u>

The total amount of interest charged to expense at May 31, 2004 is \$43,418. It is the Agency's intent to use local funds to retire this debt each year.

(11) Individual Program Deficits

The following programs had deficit net assets at May 31, 2004:

Iberia Food and Medical	\$ 2,960
Iberia Parish Special Trust	4,818
RSVP	154

The deficits are expected to be funded by future program revenues and/or local support monies.

ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY, INC.

Notes to Financial Statements (continued)

(12) Operating Leases

The Agency is obligated under certain leases accounted for as operating leases. Operating leases do not give rise to property rights or lease obligations, therefore the results of these agreements are not reflected in property and equipment.

Rent expense at May 31, 2004 was \$209,028. The following is a schedule, by years, of future minimum rental payments required under operating leases that have initial or remaining noncancelable lease terms in excess of one year as of May 31, 2004:

<u>Year Ending May 31,</u>	<u>Amounts</u>
2005	\$ 69,897
2006	24,783
2007	<u>11,753</u>
Total minimum payments required	<u>\$ 106,433</u>

SUPPLEMENTAL INFORMATION

SCHEDULE OF INDIVIDUAL FUNDS

DIRECT FEDERAL PROGRAMS

Department of Housing and Urban Development

HUD Housing Counseling Program

The purpose of this grant is to provide comprehensive housing counseling to assist in improving the individual's housing conditions.

Department of Health and Human Services

Head Start Program/Early Childhood

The Head Start Program provides comprehensive early child development for disadvantaged pre-school children and their families. As part of this program, the grantee also operates a food program for qualifying students on a cost reimbursement basis through the United States Department of Agriculture.

Training and Technical Assistance Programs

This special grant provides for the training and certification of Head Start Program instructors.

Handicapped Program

This grant extends the Head Start Program to include handicapped children.

The Corporation for National Service

Retired Senior Volunteer Program (RSVP)

The purpose of this grant is to involve senior citizens in community participation projects.

Department of Education

The Community Technology Centers Program allows SMILE to provide computer technology classes to qualified individuals.

INDIRECT FEDERAL PROGRAMS

The Agency receives federal funds as the subgrantee of various departments of the State of Louisiana. The various state departments have the ultimate responsibility of reporting to the federal grantors.

Project Independence Jobs/Transportation

Provides transportation for participants and their designated children. Also, provides funds to the Transportation program to help provide services to the underprivileged.

Department of Labor

The Community Services Block Grant Program (CSBG) provides various direct program services to the needy and defrays a portion of the Agency's administrative costs.

Department of Education

The Child Care Feeding Program (Food Reimbursement) provides balanced meals to qualified children and adults in the Tri-Parish area Child Development Programs.

Department of Social Services

Weatherization Assistance Program grants and Low Income Home Energy Assistance Program (LIHEAP) grants provide services to assist needy individuals in home insulation.

Department of Housing and Urban Development

The Community Development Block Grant Program (CDBG) is to provide funds to renovate homeless shelters and provide emergency shelter for homeless persons. These funds were obtained by a grant agreement with the Lafayette Consolidated Government.

Emergency Food and Shelter National Board Program

This grant provides emergency food and shelter assistance to qualified individuals in the parishes of St. Martin, Iberia and Lafayette.

Department of Social Services

Child Welfare Resource Center – This program will establish a center to ensure the safety, well being and permanency of families who are at risk of dissolution as a result of child abuse and/or neglect.

Department of Social Services

Low Income Home Energy Assistance Program - This program provides direct payments to home energy suppliers on behalf of eligible households.

(continued)

INDIRECT FEDERAL PROGRAMS (continued)

Department of Health and Human Services

Medicaid Enrollment

This grant allows SMILE to offer outreach medicaid eligibility services to specific groups of individuals by assisting potential medicaid eligibles to complete an initial application for health care coverage and in some instances by assisting medicaid beneficiaries with the recertification process.

Group Mentoring

Promotes youth development and leadership, targeting at risk youth, grades 9-12 in St. Martin Parish.

Fatherhood Initiative

Project is designed to increase the number of father and father figures in the lives of Head Start children. The activities focus on family literacy and will take place in a Head Start environment.

Youth Initiative

Designed to increase youth leadership skills, enhance literacy with Head Start families and reduce social ills plaguing disadvantaged populations.

Community Response Initiative

To provide intervention services to offset Martin Mills layoffs. Services include providing job community fair, job skills training, job recruitment/placement, emergency assistance, counseling, transportation services, child care services, healthy marriage/family support, parenting/child development training, and crisis intervention/support groups.

Quality Child Care Initiative

To provide parent-child enrichment programs to include a family literacy project, increase parenting skills and offset cultural and recreational activities.

LOCAL PROGRAMS

The Agency receives grants from local governmental bodies and non-profit organizations.

Local Government Support (Matching Fund)

Programs that provide supplementary assistance for established programs or matching requirements for established programs.

St. Martin Parish Emergency Assistance

Funded by local contributions, this program provides emergency energy, rent and medical assistance to the qualified elderly of St. Martin Parish.

Iberia Food and Medical

Funded by United Way of Iberia and other local grants and contributions, this grant provides medical and food assistance on a one time basis to qualified individuals in Iberia Parish.

Iberia Parish Special Trust

This is a special grant from the Iberia Parish Council in support of the U.S.D.A. Commodity Distribution Program for Iberia Parish.

ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY, INC.

Combining Statement of Financial Position
 Year Ended May 31, 2004
 With Comparative Totals for May 31, 2003

	Transportation	Project Independence Jobs	CSBG	Early Childhood	Food Reimbursement	Shelter Fund
ASSETS						
Current assets:						
Cash	\$ 2,874	\$ 165	\$ 10,518	\$ 1,531	\$ 128,759	\$ 347
Receivables:						
Grant funds	14,057	14,475	60,000	45,648	41,671	-
Due from other funds	3,363	1,192	2,199	233	60,935	-
Other	-	-	143	-	-	-
Prepaid expenses	<u>21,526</u>	<u>8,677</u>	<u>4,845</u>	<u>7,150</u>	<u>3,985</u>	<u>-</u>
Total current assets	41,820	24,509	77,705	54,562	235,350	347
Property and equipment (net)	<u>65,335</u>	<u>45,750</u>	<u>30,180</u>	<u>323,163</u>	<u>-</u>	<u>-</u>
Total assets	<u>\$ 107,155</u>	<u>\$ 70,259</u>	<u>\$ 107,885</u>	<u>\$ 377,725</u>	<u>\$ 235,350</u>	<u>\$ 347</u>
LIABILITIES						
Liabilities:						
Current liabilities:						
Due to other funds	\$ 4,030	\$ 21,805	\$ 45,198	\$ 5,042	\$ 3,191	\$ -
Accounts payable	11,657	2,607	12,699	17,117	17,111	-
Notes payable	6,510	-	-	-	-	-
Retirement plan payable	224	96	643	712	99	-
Compensated Absences	31,452	-	29,785	10,136	-	-
Unearned grants	-	-	-	-	-	-
Other liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total current liabilities	<u>53,873</u>	<u>24,508</u>	<u>88,325</u>	<u>33,007</u>	<u>20,401</u>	<u>-</u>
Long-term liabilities:						
Notes payable	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>53,873</u>	<u>24,508</u>	<u>88,325</u>	<u>33,007</u>	<u>20,401</u>	<u>-</u>
NET ASSETS						
Unrestricted	-	-	-	-	-	-
Temporarily restricted	<u>53,282</u>	<u>45,751</u>	<u>19,560</u>	<u>344,718</u>	<u>214,949</u>	<u>347</u>
Total net assets (deficit)	<u>53,282</u>	<u>45,751</u>	<u>19,560</u>	<u>344,718</u>	<u>214,949</u>	<u>347</u>
Total liabilities and net assets	<u>\$ 107,155</u>	<u>\$ 70,259</u>	<u>\$ 107,885</u>	<u>\$ 377,725</u>	<u>\$ 235,350</u>	<u>\$ 347</u>

(continued)

ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY, INC.

Combining Statement of Financial Position (Continued)
 Year Ended May 31, 2004
 With Comparative Totals for May 31, 2003

	<u>Weatherization</u>	<u>HUD</u>	<u>Local Government Support (Matching Fund)</u>	<u>St. Martin Parish Emergency Assistance</u>	<u>Iberia Food & Medical</u>	<u>Iberia Parish Special Trust</u>
ASSETS						
Current assets:						
Cash	\$ 3,695	\$ 6,840	\$ 4,487	\$ 12,468	\$ 784	\$ 803
Receivables:						
Grant funds	27,991	-	32,354	-	-	-
Due from other funds	2,605	5,699	23,466	-	-	220
Other	-	-	-	-	-	-
Prepaid expenses	<u>2,740</u>	<u>-</u>	<u>4,482</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total current assets	37,031	12,539	64,789	12,468	784	1,023
Property and equipment (net)	<u>887</u>	<u>-</u>	<u>331,012</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	<u>\$ 37,918</u>	<u>\$ 12,539</u>	<u>\$ 395,801</u>	<u>\$ 12,468</u>	<u>\$ 784</u>	<u>\$ 1,023</u>
LIABILITIES						
Liabilities:						
Current liabilities:						
Due to other funds	\$ 10,939	\$ 568	\$ 60,213	\$ -	\$ 2,166	\$ 5,841
Accounts payable	12,698	-	7,503	-	1,578	-
Notes payable	-	-	-	-	-	-
Retirement plan payable	68	-	7	-	-	-
Compensated Absences	2,177	-	-	-	-	-
Unearned grants	-	-	-	-	-	-
Other liabilities	-	-	962	-	-	-
Total current liabilities	<u>25,882</u>	<u>568</u>	<u>68,685</u>	<u>-</u>	<u>3,744</u>	<u>5,841</u>
Long-term liabilities:						
Notes payable	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>25,882</u>	<u>568</u>	<u>68,685</u>	<u>-</u>	<u>3,744</u>	<u>5,841</u>
NET ASSETS						
Unrestricted	-	-	-	-	-	-
Temporarily restricted	<u>12,036</u>	<u>11,971</u>	<u>327,116</u>	<u>12,468</u>	<u>(2,960)</u>	<u>(4,818)</u>
Total net assets (deficit)	<u>12,036</u>	<u>11,971</u>	<u>327,116</u>	<u>12,468</u>	<u>(2,960)</u>	<u>(4,818)</u>
Total liabilities and net assets	<u>\$ 37,918</u>	<u>\$ 12,539</u>	<u>\$ 395,801</u>	<u>\$ 12,468</u>	<u>\$ 784</u>	<u>\$ 1,023</u>

(continued)

ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY, INC.

Combining Statement of Financial Position (Continued)
 Year Ended May 31, 2004
 With Comparative Totals for May 31, 2003

	Lafayette Emergency Food & Shelter	Iberia Emergency Food & Shelter	Head Start	RSVP	Medicaid Enrollment	Cookbook Fund
ASSETS						
Current assets:						
Cash	\$ 3,298	\$ 69	\$ 6,032	\$ 2,191	\$ 6,527	\$ 736
Receivables:						
Grant funds	2,534	7,829	273,730	1,783	2,492	-
Due from other funds	-	-	9,037	78	198	-
Other	-	-	66,633	-	-	-
Prepaid expenses	-	-	125,149	889	100	-
Total current assets	5,832	7,898	480,581	4,941	9,317	736
Property and equipment (net)	-	-	2,431,571	1,497	-	-
Total assets	\$ 5,832	\$ 7,898	\$ 2,912,152	\$ 6,438	\$ 9,317	\$ 736
LIABILITIES						
Liabilities:						
Current liabilities:						
Due to other funds	\$ -	\$ 3,859	\$ 45,224	\$ 3,434	\$ 5	\$ -
Accounts payable	-	-	88,624	823	-	-
Notes payable	-	-	-	-	-	-
Retirement plan payable	-	-	4,586	52	9	-
Compensated absences	-	-	63,012	2,283	-	-
Unearned grants	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
Total current liabilities	-	3,859	201,446	6,592	14	-
Long-term liabilities:						
Notes payable	-	-	-	-	-	-
Total liabilities	-	3,859	201,446	6,592	14	-
NET ASSETS						
Unrestricted	-	-	-	-	-	736
Temporarily restricted	5,832	4,039	2,710,706	(154)	9,303	-
Total net assets (deficit)	5,832	4,039	2,710,706	(154)	9,303	736
Total liabilities and net assets	\$ 5,832	\$ 7,898	\$ 2,912,152	\$ 6,438	\$ 9,317	\$ 736

(continued)

ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY, INC.

Combining Statement of Financial Position (Continued)
 Year Ended May 31, 2004
 With Comparative Totals for May 31, 2003

	Family Preservation	Payroll	Child Welfare Resource Center	Accounts Payable	Home Energy Assistance	General
ASSETS						
Current assets:						
Cash	\$ 3	\$ 183,186	\$ 24,296	\$ 464	\$ 26,497	\$ 1,545
Receivables:						
Grant funds	12,169	-	-	-	8,558	-
Due from other funds	-	54,541	10,567	20,024	163	-
Other	-	-	-	-	-	107
Prepaid expenses	-	-	-	-	249	640
Total current assets	12,172	237,727	34,863	20,488	35,467	2,292
Property and equipment (net)	-	-	2,067	-	1,717	710,211
Total assets	\$ 12,172	\$ 237,727	\$ 36,930	\$ 20,488	\$ 37,184	\$ 712,503
LIABILITIES						
Liabilities:						
Current liabilities:						
Due to other funds	\$ 8,619	\$ 7,382	\$ -	\$ 20,488	\$ 1,083	\$ 20,889
Accounts payable	2,160	-	-	-	1,009	115
Notes payable	-	-	-	-	-	12,585
Retirement plan payable	-	-	-	-	80	-
Compensated absences	-	-	-	-	279	-
Unearned grants	-	-	-	-	-	-
Other liabilities	-	230,345	-	-	-	-
Total current liabilities	10,779	237,727	-	20,488	2,451	33,589
Long-term liabilities:						
Notes payable	-	-	-	-	-	462,332
Total liabilities	10,779	237,727	-	20,488	2,451	495,921
NET ASSETS						
Unrestricted	-	-	-	-	-	216,582
Temporarily restricted	1,393	-	36,930	-	34,733	-
Total net assets (deficit)	1,393	-	36,930	-	34,733	216,582
Total liabilities and net assets	\$ 12,172	\$ 237,727	\$ 36,930	\$ 20,488	\$ 37,184	\$ 712,503

(continued)

ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY, INC.

Combining Statement of Financial Position (Continued)

Year Ended May 31, 2004

With Comparative Totals for May 31, 2003

	<u>Indirect Cost Pool</u>	<u>Computer Technology</u>	<u>Group Mentoring</u>	<u>Fatherhood Initiative</u>	<u>Youth Initiative</u>	<u>Community Response Initiative</u>
ASSETS						
Current assets:						
Cash	\$ 15,183	\$ 19,722	\$ 1,770	\$ -	\$ 1,237	\$ 3,673
Receivables:						
Grant funds	-	-	-	-	-	-
Due from other funds	76,033	5,000	1,070	-	1,132	10,195
Other	143	-	-	-	-	-
Prepaid expenses	5,763	-	-	-	-	-
Total current assets	<u>97,122</u>	<u>24,722</u>	<u>2,840</u>	<u>-</u>	<u>2,369</u>	<u>13,868</u>
Property and equipment (net)	<u>10,011</u>	<u>62,642</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	<u>\$ 107,133</u>	<u>\$ 87,364</u>	<u>\$ 2,840</u>	<u>\$ -</u>	<u>\$ 2,369</u>	<u>\$ 13,868</u>
LIABILITIES						
Liabilities:						
Current liabilities:						
Due to other funds	\$ 4,164	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts payable	20,502	-	-	-	-	-
Notes payable	-	-	-	-	-	-
Retirement plan payable	370	-	-	-	-	-
Compensated absences	25,468	-	-	-	-	-
Unearned grants	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-
Total current liabilities	<u>50,504</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Long-term liabilities:						
Notes payable	-	-	-	-	-	-
Total liabilities	<u>50,504</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET ASSETS						
Unrestricted	-	-	-	-	-	-
Temporarily restricted	<u>56,629</u>	<u>87,364</u>	<u>2,840</u>	<u>-</u>	<u>2,369</u>	<u>13,868</u>
Total net assets (deficit)	<u>56,629</u>	<u>87,364</u>	<u>2,840</u>	<u>-</u>	<u>2,369</u>	<u>13,868</u>
Total liabilities and net assets	<u>\$ 107,133</u>	<u>\$ 87,364</u>	<u>\$ 2,840</u>	<u>\$ -</u>	<u>\$ 2,369</u>	<u>\$ 13,868</u>

(continued)

ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY, INC.

Combining Statement of Financial Position (Continued)
 Year Ended May 31, 2004
 With Comparative Totals for May 31, 2003

	Quality	Total	Eliminating	Totals	
	Child Care Initiative			Entries	(Memorandum Only)
				2004	2003
ASSETS					
Current assets:					
Cash	\$ 8,518	\$ 478,218	\$ -	\$ 478,218	\$ 891,679
Receivables:					
Grant funds	10,511	555,802	-	555,802	286,175
Due from other funds	-	287,950	(287,950)	-	-
Other	-	67,026	-	67,026	393
Prepaid expenses	-	186,195	-	186,195	146,191
Total current assets	19,029	1,575,191	(287,950)	1,287,241	1,324,438
Property and equipment (net)	-	4,016,043	-	4,016,043	4,112,161
Total assets	\$ 19,029	\$ 5,591,234	\$ (287,950)	\$ 5,303,284	\$ 5,436,599
LIABILITIES					
Liabilities:					
Current liabilities:					
Due to other funds	\$ 13,810	\$ 287,950	\$ (287,950)	\$ -	\$ -
Accounts payable	99	196,302	-	196,302	303,699
Notes payable	-	19,095	-	19,095	20,159
Retirement plan payable	74	7,020	-	7,020	6,042
Compensated absences	-	164,592	-	164,592	-
Unearned grants	-	-	-	-	32,413
Other liabilities	-	231,307	-	231,307	251,447
Total current liabilities	13,983	906,266	(287,950)	618,316	613,760
Long-term liabilities:					
Notes payable	-	462,332	-	462,332	480,727
Total liabilities	13,983	1,368,598	(287,950)	1,080,648	1,094,487
NET ASSETS					
Unrestricted	-	217,318	-	217,318	(177)
Temporarily restricted	5,046	4,005,318	-	4,005,318	4,342,289
Total net assets (deficit)	5,046	4,222,636	-	4,222,636	4,342,112
Total liabilities and net assets	\$ 19,029	\$ 5,591,234	\$ (287,950)	\$ 5,303,284	\$ 5,436,599

ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY, INC.

Combining Statement of Activities
Year Ended May 31, 2004
With Comparative Totals for May 31, 2003

	Transportation	Project Independence Jobs	CSBG	Early Childhood	Food Reimbursement	Shelter Fund
Public support:						
In-kind contributions	\$ -	\$ -	\$ -	\$ 332,465	\$ -	\$ -
Donations	30,984	-	-	211	-	-
Total public support	30,984	-	-	332,676	-	-
Grants from governmental agencies	385,777	130,018	909,197	934,873	728,383	-
Other revenue:						
Miscellaneous	6,245	-	8,256	5,733	-	-
Total public support, grants from governmental agencies and other revenue	423,006	130,018	917,453	1,273,282	728,383	-
Expenses:						
Direct costs -						
Salaries and wages	227,263	82,322	597,619	595,680	202,159	-
Fringe benefits	24,408	9,808	59,379	60,829	19,777	-
Retirement plan	5,694	2,564	17,469	17,775	5,963	-
Depreciation	43,065	24,357	22,157	53,277	-	-
Contract services	78	875	31,967	28,778	-	-
Travel	912	-	5,891	10,667	3,801	-
Consumable supplies	2,581	197	20,190	14,585	23,844	-
Space costs	5,442	3,449	68,509	65,958	1,858	-
Repairs and maintenance	70,959	28,696	16,952	15,335	9,955	-
Operating services	124,170	34,223	91,020	68,413	513,425	-
Other	114	6	14,484	3,232	24	-
Interest expense	844	-	-	-	-	-
Indirect costs	17,286	7,542	-	53,529	17,850	-
In-kind contributions	-	-	-	332,465	-	-
Total expenses	522,816	194,039	945,637	1,320,523	798,656	-
Public support, grants from governmental agencies and other revenue over (under) expenses	(99,810)	(64,021)	(28,184)	(47,241)	(70,273)	-
Other increases (decreases) in net assets:						
Operating transfers in	95,464	69,137	-	-	55,000	-
Operating transfers out	(57,215)	(34,885)	(22,244)	(22,559)	(9,700)	-
Indirect cost transferred from programs	-	-	-	-	-	-
Gain (loss) on disposal of fixed assets	-	-	(701)	(395)	-	-
Total other increases (decreases) in net assets	38,249	34,252	(22,945)	(22,954)	45,300	-
Change in net assets	(61,561)	(29,769)	(51,129)	(70,195)	(24,973)	-
Net assets (deficit), beginning of year	114,843	75,520	70,689	414,913	239,922	347
Net assets (deficit), end of year	\$ 53,282	\$ 45,751	\$ 19,560	\$ 344,718	\$ 214,949	\$ 347

(continued)

ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY, INC.

Combining Statement of Activities (Continued)
 Year Ended May 31, 2004
 With Comparative Totals for May 31, 2003

	Weatherization	HUD	Local Government Support (Matching Fund)	St. Martin Parish Emergency Assistance	Iberia Food & Medical	Iberia Parish Special Trust
Public support:						
In-kind contributions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Donations	-	-	4,999	39,319	-	-
Total public support	-	-	4,999	39,319	-	-
Grants from governmental agencies	178,551	-	372,522	28,517	14,167	-
Other revenue:						
Miscellaneous	-	-	-	-	-	-
Total public support, grants from governmental agencies and other revenue	<u>178,551</u>	<u>-</u>	<u>377,521</u>	<u>67,836</u>	<u>14,167</u>	<u>-</u>
Expenses:						
Direct costs -						
Salaries and wages	49,698	-	2,799	-	-	-
Fringe benefits	4,748	-	275	-	-	-
Retirement plan	1,490	-	86	-	-	9
Depreciation	99	-	23,969	-	-	-
Contract services	51,372	-	3,853	-	-	-
Travel	6,908	-	-	-	-	-
Consumable supplies	7,917	-	14,369	-	-	-
Space costs	2,956	-	15,974	1,632	-	-
Repairs and maintenance	-	-	7,299	-	-	-
Operating services	52,279	-	29,689	51,483	10,945	960
Other	247	-	34	-	75	-
Interest expense	-	-	-	-	-	-
Indirect costs	-	-	254	-	-	-
In-kind contributions	-	-	-	-	-	-
Total expenses	<u>177,714</u>	<u>-</u>	<u>98,601</u>	<u>53,115</u>	<u>11,020</u>	<u>969</u>
Public support, grants from governmental agencies and other revenue over (under) expenses	<u>837</u>	<u>-</u>	<u>278,920</u>	<u>14,721</u>	<u>3,147</u>	<u>(969)</u>
Other increases (decreases) in net assets:						
Operating transfers in	-	54	61,255	-	-	16,718
Operating transfers out	-	-	(63,785)	(2,752)	-	(11,165)
Indirect cost transferred from programs	-	-	-	-	-	-
Loss on disposal of fixed assets	-	-	-	-	-	-
Total other increases (decreases) in net assets	<u>-</u>	<u>54</u>	<u>(2,530)</u>	<u>(2,752)</u>	<u>-</u>	<u>5,553</u>
Change in net assets	837	54	276,390	11,969	3,147	4,584
Net assets (deficit), beginning of year	<u>11,199</u>	<u>11,917</u>	<u>50,726</u>	<u>499</u>	<u>(6,107)</u>	<u>(9,402)</u>
Net assets (deficit), end of year	<u>\$ 12,036</u>	<u>\$ 11,971</u>	<u>\$ 327,116</u>	<u>\$ 12,468</u>	<u>\$ (2,960)</u>	<u>\$ (4,818)</u>

(continued)

ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY, INC.

Combining Statement of Activities (Continued)
 Year Ended May 31, 2004
 With Comparative Totals for May 31, 2003

	Lafayette Emergency Food & Shelter	Iberia Emergency Food & Shelter	Head Start	RSVP	Medicaid Enrollment	Cookbook Fund
Public support:						
In-kind contributions	\$ -	\$ -	\$ 2,244,990	\$ -	\$ -	\$ -
Donations	-	-	-	5,063	-	35,704
Total public support	-	-	2,244,990	5,063	-	35,704
Grants from governmental agencies	8,102	59,369	8,179,848	69,748	7,924	-
Other revenue:						
Miscellaneous	-	-	14,145	11	-	-
Total public support, grants from governmental agencies and other revenue	<u>8,102</u>	<u>59,369</u>	<u>10,438,983</u>	<u>74,822</u>	<u>7,924</u>	<u>35,704</u>
Expenses:						
Direct costs -						
Salaries and wages	-	-	4,863,542	46,037	10,753	-
Fringe benefits	-	-	526,537	4,542	1,111	-
Retirement plan	-	-	142,989	1,361	336	-
Depreciation	-	-	386,996	1,086	-	-
Contract services	-	-	251,458	-	-	-
Travel	-	-	60,238	1,119	-	-
Consumable supplies	-	-	152,024	2,088	-	-
Space costs	6,804	-	439,618	3,006	-	-
Repairs and maintenance	-	-	365,576	-	-	-
Operating services	2,220	49,357	726,518	13,318	156	19,101
Other	-	28	12,844	1,333	-	196
Interest expense	-	-	-	-	-	-
Indirect costs	-	-	433,923	4,005	-	-
In-kind contributions	-	-	2,244,990	-	-	-
Total expenses	<u>9,024</u>	<u>49,385</u>	<u>10,607,253</u>	<u>77,895</u>	<u>12,356</u>	<u>19,297</u>
Public support, grants from governmental agencies and other revenue over (under) expenses	<u>(922)</u>	<u>9,984</u>	<u>(168,270)</u>	<u>(3,073)</u>	<u>(4,432)</u>	<u>16,407</u>
Other increases (decreases) in net assets:						
Operating transfers in	-	-	-	-	-	-
Operating transfers out	-	(2,185)	(55,000)	-	-	(32,604)
Indirect cost transferred from programs	-	-	-	-	-	-
Loss on disposal of fixed assets	-	-	-	-	-	-
Total other increases (decreases) in net assets	<u>-</u>	<u>(2,185)</u>	<u>(55,000)</u>	<u>-</u>	<u>-</u>	<u>(32,604)</u>
Change in net assets	(922)	7,799	(223,270)	(3,073)	(4,432)	(16,197)
Net assets (deficit), beginning of year	<u>6,754</u>	<u>(3,760)</u>	<u>2,933,976</u>	<u>2,919</u>	<u>13,735</u>	<u>16,933</u>
Net assets (deficit), end of year	<u>\$ 5,832</u>	<u>\$ 4,039</u>	<u>\$ 2,710,706</u>	<u>\$ (154)</u>	<u>\$ 9,303</u>	<u>\$ 736</u>

(continued)

ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY, INC.

Combining Statement of Activities (Continued)
 Year Ended May 31, 2004
 With Comparative Totals for May 31, 2003

	Family Preservation	Payroll	Child Welfare Resource Center	Accounts Payable	Home Energy Assistance	General
Public support:						
In-kind contributions	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Donations	100	-	-	-	5,803	181,200
Total public support	100	-	-	-	5,803	181,200
Grants from governmental agencies	24,938	-	-	-	143,990	27,114
Other revenue:						
Miscellaneous	-	-	-	-	-	-
Total public support, grants from governmental agencies and other revenue	25,038	-	-	-	149,793	208,314
Expenses:						
Direct costs -						
Salaries and wages	-	-	-	-	68,061	-
Fringe benefits	-	-	-	-	6,748	-
Retirement plan	-	-	-	-	2,083	-
Depreciation	-	-	5,879	-	438	28,043
Contract services	19,891	-	-	-	992	-
Travel	3,855	-	-	-	6,048	-
Consumable supplies	1,164	-	-	-	6,358	-
Space costs	-	-	-	-	3,050	-
Repairs and maintenance	-	-	-	-	42	-
Operating services	2,194	-	1,335	-	9,726	197
Other	676	-	-	-	28	253
Interest expense	-	-	-	-	-	42,574
Indirect costs	-	-	-	-	-	-
In-kind contributions	-	-	-	-	-	-
Total expenses	27,780	-	7,214	-	103,574	71,067
Public support, grants from governmental agencies and other revenue over (under) expenses	(2,742)	-	(7,214)	-	46,219	137,247
Other increases (decreases) in net assets:						
Operating transfers in	-	-	-	-	-	96,445
Operating transfers out	-	-	-	-	(87,000)	-
Indirect cost transferred from programs	-	-	-	-	-	-
Loss on disposal of fixed assets	-	-	-	-	-	-
Total other increases (decreases) in net assets	-	-	-	-	(87,000)	96,445
Change in net assets	(2,742)	-	(7,214)	-	(40,781)	233,692
Net assets (deficit), beginning of year	4,135	-	44,144	-	75,514	(17,110)
Net assets (deficit), end of year	\$ 1,393	\$ -	\$ 36,930	\$ -	\$ 34,733	\$ 216,582

(continued)

ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY, INC.

Combining Statement of Activities (Continued)
 Year Ended May 31, 2004
 With Comparative Totals for May 31, 2003

	Indirect Cost Pool	Computer Technology	Group Mentoring	Fatherhood Initiative	Youth Initiative	Community Response Initiative
Public support:						
In-kind contributions	\$ -	\$ -	\$ -	\$ 21,480	\$ -	\$ -
Donations	220	-	-	-	-	150
Total public support	220	-	-	21,480	-	150
Grants from governmental agencies	-	-	1,500	-	-	65,925
Other revenue:						
Miscellaneous	973	5,000	-	-	-	50
Total public support, grants from governmental agencies and other revenue	1,193	5,000	1,500	21,480	-	66,125
Expenses:						
Direct costs -						
Salaries and wages	354,107	4,096	1,100	-	-	23,673
Fringe benefits	39,284	538	226	-	-	2,018
Retirement plan	10,124	123	41	-	-	823
Depreciation	5,006	12,823	-	-	-	-
Contract services	68,266	-	-	-	2,289	-
Travel	23,634	-	246	-	-	1,801
Consumable supplies	15,179	300	-	-	-	498
Space costs	48,607	127	-	-	-	936
Repairs and maintenance	13,866	106	-	-	-	-
Operating services	70,999	-	529	-	342	27,309
Other	14,341	-	-	-	-	645
Interest expense	-	-	-	-	-	-
Indirect costs	-	375	123	-	-	2,441
In-kind contributions	-	-	-	21,480	-	-
Total expenses	663,413	18,488	2,265	21,480	2,631	60,144
Public support, grants from governmental agencies and other revenue over (under) expenses	(662,220)	(13,488)	(765)	-	(2,631)	5,981
Other increases (decreases) in net assets:						
Operating transfers in	92,942	-	-	-	-	4,550
Operating transfers out	(85,845)	-	-	-	-	(4,626)
Indirect cost transferred from programs	539,366	-	-	-	-	-
Loss on disposal of fixed assets	-	-	-	-	-	-
Total other increases (decreases) in net assets	546,463	-	-	-	-	(76)
Change in net assets	(115,757)	(13,488)	(765)	-	(2,631)	5,905
Net assets (deficit), beginning of year	172,386	100,852	3,605	-	5,000	7,963
Net assets (deficit), end of year	\$ 56,629	\$ 87,364	\$ 2,840	\$ -	\$ 2,369	\$ 13,868

(continued)

ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY, INC.

Combining Statement of Activities (Continued)
 Year Ended May 31, 2004
 With Comparative Totals for May 31, 2003

	Quality Child Care Initiative	Total (Memorandum Only)	
		2004	2003
Public support:			
In-kind contributions	\$ -	\$ 2,598,935	\$ 2,174,402
Donations	-	303,753	158,397
Total public support	-	2,902,688	2,332,799
Grants from governmental agencies	36,976	12,307,439	13,373,344
Other revenue:			
Miscellaneous	-	40,413	77,862
Total public support, grants from governmental agencies and other revenue	36,976	15,250,540	15,784,005
Expenses:			
Direct costs -			
Salaries and wages	23,619	7,152,528	6,849,247
Fringe benefits	2,101	762,329	775,124
Retirement plan	611	209,541	210,561
Depreciation	-	607,195	574,963
Contract services	400	460,219	314,454
Travel	257	125,377	162,197
Consumable supplies	-	261,294	354,998
Space costs	-	667,926	672,071
Repairs and maintenance	-	528,786	381,999
Operating services	2,904	1,902,812	3,293,550
Other	-	48,560	84,526
Interest expense	-	43,418	48,566
Indirect costs	2,038	539,366	550,064
In-kind contributions	-	2,598,935	2,174,402
Total expenses	31,930	15,908,286	16,446,722
Public support, grants from governmental agencies and other revenue over (under) expenses	5,046	(657,746)	(662,717)
Other increases (decreases) in net assets:			
Operating transfers in	-	491,565	839,833
Operating transfers out	-	(491,565)	(839,833)
Indirect cost transferred from programs	-	539,366	553,373
Loss on disposal of fixed assets	-	(1,096)	200
Total other increases (decreases) in net assets	-	538,270	553,573
Change in net assets	5,046	(119,476)	(109,144)
Net assets (deficit), beginning of year	-	4,342,112	4,451,256
Net assets (deficit), end of year	\$ 5,046	\$ 4,222,636	\$ 4,342,112

ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY, INC.

Indirect Cost Pool
 Statements of Revenue and Expenses
 Years Ended May 31, 2004 and 2003

	<u>2004</u>	<u>2003</u>
Revenue:		
Indirect cost revenues	\$ <u>540,559</u>	\$ <u>554,007</u>
Expenses:		
Direct costs -		
Salaries and wages	354,107	376,410
Fringe benefits	39,284	44,335
Retirement expense	10,124	11,746
Depreciation	5,006	5,006
Contract services	1,369	14,887
Travel	23,634	14,095
Consumable supplies	866	4,339
Repairs and maintenance	13,866	11,021
Other	16,618	18,132
Operating services -		
Copy machine expense	14,876	18,657
Auto expenses	8,883	8,119
Professional fees	66,897	61,836
Rent	8,529	7,425
Utilities and telephone	40,078	32,746
Office supplies	14,313	18,302
Publications and subscriptions	1,351	2,584
Insurance - general	4,492	3,244
Employee development	11,078	3,032
Payroll services	<u>28,042</u>	<u>-</u>
Total expenses	<u>663,413</u>	<u>655,916</u>
Deficiency of revenue over expenses	<u>\$ (122,854)</u>	<u>\$ (101,909)</u>

**COMPLIANCE, INTERNAL CONTROL
AND
OTHER GRANT INFORMATION**

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REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

To the Board of Directors
St. Martin, Iberia, Lafayette
Community Action Agency, Inc.
Lafayette, Louisiana

We have audited the financial statements of the St. Martin, Iberia, Lafayette Community Action Agency, Inc. (a nonprofit organization) as of and for the year ended May 31, 2004 and have issued our report thereon dated July 27, 2004. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the St. Martin, Iberia, Lafayette Community Action Agency, Inc.'s financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the St. Martin, Iberia, Lafayette Community Action Agency, Inc.'s internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

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This report is intended solely for the information and use of the St. Martin, Iberia, Lafayette Community Action Agency, Inc.'s management, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Although the intended use of this report may be limited, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Kolder, Champagne, Slaven & Company, LLC
Certified Public Accountants

Breaux Bridge, Louisiana
July 27, 2004

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REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

To the Board of Directors
St. Martin, Iberia, Lafayette
Community Action Agency, Inc.
Lafayette, Louisiana

Compliance

We have audited the compliance of the St. Martin, Iberia, Lafayette Community Action Agency, Inc. (a nonprofit organization), with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended May 31, 2004. The St. Martin, Iberia, Lafayette Community Action Agency, Inc.'s major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the St. Martin, Iberia, Lafayette Community Action Agency, Inc.'s management. Our responsibility is to express an opinion on the St. Martin, Iberia, Lafayette Community Action Agency, Inc.'s compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133, Audits of States, Local Governments and Non-Profit Organizations. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the St. Martin, Iberia, Lafayette Community Action Agency, Inc.'s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of St. Martin, Iberia, Lafayette Community Action Agency, Inc.'s compliance with those requirements.

In our opinion, the St. Martin, Iberia, Lafayette Community Action Agency, Inc. complied, in all material respects, with the requirements referred to above that are applicable to its major federal programs for the year ended May 31, 2004.

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Internal Control Over Compliance

The management of the St. Martin, Iberia, Lafayette, Community Action Agency, Inc. is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the St. Martin, Iberia, Lafayette Community Action Agency, Inc.'s internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on the internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of the St. Martin, Iberia, Lafayette Community Action Agency, Inc.'s management, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. Although the intended use of this report may be limited, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Kolder, Champagne, Slaven & Company, LLC
Certified Public Accountants

Breaux Bridge, Louisiana
July 27, 2004

ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY, INC.

Schedules of Expenditures of Federal Awards
Year Ended May 31, 2004

<u>Federal Grantor/Pass-Through Grantor/ Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass-through Entity Identifying Number</u>	<u>Federal Expenditures</u>
<u>U. S. Department of Health and Human Services</u>			
Direct Programs:			
Head Start*	93.600	-	\$ 7,975,268
Early Childhood*	93.600	-	934,572
State Department of Social Services -			
Office of Community Services -			
Home Energy Assistance Program	93.568	528403	96,833
Family Preservation	93.556	585190	27,681
State Department of Social Services -			
Office of Family Support -			
Child Welfare Resource Center	93.556	539927	1,334
Project Independence	93.558	581345, 581001, 568097	169,682
Transportation Initiative	93.558	590299	12,427
Community Response Initiative	93.558	590240	59,992
Quality Child Care Initiative	93.558	603703	31,931
Group Mentoring	93.600	589350	2,265
Youth Initiative	93.600	588768	2,631
State Department of Labor -			
Community Service Block Grant*	93.569	605220	930,433
State Department of Health and Hospitals -			
Medicaid Enrollment Program	93.775	4050668	<u>12,356</u>
Total Department of Health and Human Services			<u>10,257,405</u>
<u>The Corporation for National Service</u>			
Direct Program:			
Retired Senior Volunteer Program	94.002	-	<u>72,780</u>

(continued)

ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY, INC.

Schedules of Expenditures of Federal Awards (continued)

Year Ended May 31, 2004

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Pass-through Entity Identifying Number</u>	<u>Federal Expenditures</u>
<u>U. S. Department of Agriculture</u>			
State Department of Education - Food Reimbursement	10.558	93-365	<u>798,658</u>
<u>U.S. Department of Energy</u>			
State Department of Social Services - Office of Community Services - Weatherization	81.042	515946	<u>178,602</u>
<u>U.S. Department of Education</u>			
Direct Program: Community Technology Centers	84.341	V341A010713	<u>5,665</u>
<u>Other Federal Assistance</u>			
FEMA:			
Emergency Food and Shelter			
Iberia	83.523	-	49,385
Lafayette	83.523	-	9,024
St. Martin	83.523	-	<u>13,721</u>
Total other federal assistance			<u>72,130</u>
 Total expenditures of federal awards			 <u>\$11,385,240</u>

*Major federal financial assistance programs.

ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY, INC.

Notes to Schedules of Expenditures of Federal Awards
Year Ended May 31, 2004

(1) General

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal financial assistance programs of the St. Martin, Iberia, Lafayette Community Action Agency, Inc. The St. Martin, Iberia, Lafayette, Community Action Agency, Inc. reporting entity is defined in Note 1 to the financial statements for the year ended May 31, 2004. All federal financial assistance received directly from federal agencies is included on the schedule as well as federal financial assistance passed through other government agencies. The Head Start, Early Childhood, and CSBG programs were considered major federal programs for the St. Martin, Iberia, Lafayette Community Action Agency, Inc.

(2) Basis of Accounting

The accompanying Schedule of Expenditures of Federal Awards includes the federal grant activity of the St. Martin, Iberia, Lafayette, Community Action Agency, Inc. and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB circular A-133, Audits of States, Local Governments, and Non-Profit Organizations.

(3) Relationship to Federal Financial Reports

A reconciliation of total expenditures of federal awards reported in the Schedules of Expenditures of Federal Awards to total expenses per statement of functional expenses is as follows:

Total expenses per statement of activities	<u>2004</u> \$ 15,907,711
Add: Equipment additions	8,967
Less: In-kind contributions	2,598,935
Depreciation	607,195
Non-federal expenses	<u>1,325,308</u>
Total expenditures per schedule of federal awards	<u>\$ 11,385,240</u>

The total in-kind contributions of \$2,598,935 and depreciation expense in the amount of \$507,112 were for federal programs.

ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY, INC.

Schedule of Findings and Questioned Costs
Year Ended May 31, 2004

Part I. Summary of Auditor's Results:

1. The auditors' report expresses an unqualified opinion on the financial statements of St. Martin, Iberia, Lafayette Community Action Agency, Inc.
2. No reportable condition in internal control was disclosed by the audit of the financial statements.
3. The audit disclosed no instances of noncompliance that are material to the financial statements.
4. No reportable conditions in internal control over major programs were disclosed by the audit of the financial statements.
5. The auditors' report on compliance for the major federal award programs expresses an unqualified opinion on all major programs.
6. No audit findings relative to the major federal award programs are reported in this schedule.
7. The major programs were:
U. S. Department of Health and Human Services: Head Start and Early Childhood, CFDA 93.600.
U.S. Department of Health and Human Services/State Department of Labor, CFDA 93.569.
8. The dollar threshold used to distinguish between Type A and Type B programs, as described in Section 520(b) of Circular A-133 was \$374,836.
9. SMILE did not qualify as a low risk auditee.

Part II. Findings which are required to be reported in accordance with generally accepted Governmental Auditing Standards:

A. Compliance Findings

There are no compliance findings that are required to be reported at May 31, 2004.

ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY, INC.

Schedule of Findings and Questioned Costs (continued)
Year Ended May 31, 2004

B. Internal Control Findings

There are no internal control findings that are required to be reported at May 31, 2004.

Part III. Findings and questioned costs for Federal awards which include audit findings as defined in Section 510(a) of Circular A-133:

There are no findings that are required to be reported at May 31, 2004.

ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY, INC.

Summary Schedule of Current and Prior Year Audit Findings
and Management's Corrective Action Plan
Year Ended May 31, 2004

Ref. No.	Fiscal Year Finding Initially Occurred (5/31/04)	Description of Finding	Corrective Action Taken	Corrective Action Planned	Name of Contact Person	Anticipated Date Of Completion
----------	--	------------------------	-------------------------	---------------------------	------------------------	--------------------------------

Findings which are required to be reported in accordance with generally accepted Governmental Auditing Standards

Compliance:

There are no compliance findings to be reported.

Internal Control Over Financial Reporting:

There are no internal control findings to be reported.

Findings and questioned costs for Federal awards which include audit findings as defined in Section 510(a) of Circular A-133:

There are no findings that are required to be reported.

ST. MARTIN, IBERIA, LAFAYETTE COMMUNITY ACTION AGENCY, INC.

Summary Schedule of Current and Prior Year Audit Findings
and Management's Corrective Action Plan (Continued)
Year Ended May 31, 2004

Ref. No.	Fiscal Year Finding Initially Occurred	Description of Finding	Corrective Action Taken	Corrective Action Planned	Name of Contact Person	Anticipated Date Of Completion
PRIOR YEAR (5/31/03)						

Findings which are required to be reported in accordance with generally accepted Governmental Auditing Standards

Compliance:

There were no compliance findings to be reported.

Internal Control Over Financial Reporting:

There were no internal control findings to be reported.

Findings and questioned costs for Federal awards which include audit findings as defined in Section 510(a) of Circular A-133

03-1	5/31/2003	U.S. Department of Health and Human Services CSBG - CFDA 93.569 Subgrant No. 2003N0024	Yes			
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Ineligibility of applicants

Condition and Criteria: Assistance was provided to two applicants, which were not eligible for assistance due to their income exceeding the poverty guidelines.

Effect: The \$211 in assistance paid on behalf of the two ineligible applicants is questioned costs.

Cause: This occurred because the procedures in place were not adhered to.

Population size was 1,498, Dollar amount was \$42,024

Items tested were 40, Dollar amount was \$5,645

Items not in compliance were 2, Dollar amount was \$211

Auditor's Recommendation: Procedures should be followed and strictly adhered to.